

Contract Negotiations

St. Joe, MO

Silgan Containers Corp. and Sheet Metal Workers Local No. 2

Company Economic Proposal #1

(April 26, 2012)

Non Economic proposals-All Tentative Non Economic Agreements (TA's) are included, and the Combined Vacation Proposal Union 5 (Single days) and Company 8 (Vacation sell back) are included in this offer.

Company Economic

- **Term of Agreement**

May 7, 2012 through May 8, 2016

- **Wages**

Due to not having received any wage demands from the Union our initial position on wages is:

Effective May 7/2012 a signing bonus of \$250

Effective May 7/2013 a bonus amount (to be determined) will be included in future offers

Effective May 7/2014 a bonus amount/or wage adjustment (to be determined) will be included in future offers

Effective May 7/2015 a bonus amount/or wage adjustment (to be determined) will be included in future offers

New Hires employed on/or after May 7, 2012 in Job Brackets 1 through 4 shall be paid 10% less than paid to employees hired prior to May 7, 2012

- **Health & Welfare**

Plan Design

Participation in the MO-KAN plan will continue during the term of this agreement provided the plan remains available through the Trust and employees absorb 100% of the yearly premium increase above 6%. If the current plan becomes unavailable, the Company has the option to select a lower cost MO-KAN plan if available or move coverage to another plan of their choosing.

Employee Contributions

Effective June 1, 2012 and thereafter employees shall pay 20% of the premium.

- **Production Unit Retirement Plan (Article 36)**

Employees shall no longer be eligible for the existing Retirement Fund and it shall be legally discontinued (terminated, merged, frozen or otherwise) as soon as possible and employees will become eligible for a Silgan no match 401(k) plan.

401 Eligibility New employees will be eligible and shall automatically be enrolled in the 401(k) plan following ninety (90) days employment.

401 Formula Enrolled employees hired prior to May 7/2012 shall receive an automatic One Dollar and Ninety-Eight Cents (\$1.98) contribution to their account for each hour worked after becoming eligible, to a maximum of two thousand (2000) work/(including vacation and holiday) hours per year. Employees may also voluntarily contribute to the plan in whole (no fractions) per cent of pay amounts from 1% to 50% pre tax, but not more than the IRS dollar limit.

Enrolled employees hired May 7/2012 or later have a different company contribution benefit. They shall receive an automatic 3% of pay after becoming eligible, to a maximum of two thousand (2000) work/(including vacation and holiday) hours per year. These employees may also voluntarily contribute to the plan in whole (no fractions) per cent of pay amounts from 1% to 50% pre tax, but not more than the IRS dollar limit.

401 Rollover The plan allows certain rollovers from other qualified retirement plans.

Continuation The Company's obligation to continue this benefit shall cease as a matter of contract and law upon the expiration of this collective bargaining agreement. Nothing herein prevents the Union from bargaining the Company's subsequent continuation of the retirement plan benefit in any renewal agreement.